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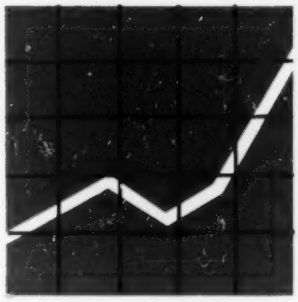

Colorado Business Review

BUSINESS RESEARCH DIVISION • GRADUATE SCHOOL OF BUSINESS ADMINISTRATION • UNIVERSITY OF COLORADO

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Volume LVII, Number 5, May 1984

Targeting Economic Capital Asset Formation with Certified Development Companies

Donald E. Reid, Jr. and Henry Wichmann, Jr.

In July 1980, the Small Business Investment Act was amended to recognize small businesses' need for long-term financing for plant construction and related fixed assets. That amendment provided the legislative groundwork for the Small Business Administration's certified development company (CDC) program. Under the CDC program certain local, regional, and/or state corporations can be formed to provide financing in defined economic target areas. The SBA certifies the corporation, approves its loans and acts as its agent to obtain the necessary funds to lend to small business concerns. This article explains how the SBA's newest business development programs affect small business entrepreneurs.

HISTORY

Local development company loan programs are not new to the SBA and have been guided by a philosophy which encourages development of genuine community rapport, involvement in the growth of business activity, and creation of jobs. Perhaps the most visible economic development projects commenced under the old loan programs are those which resulted in the major ski resorts of Colorado, New Mexico, Montana, Utah, and Wyoming; however, numerous other loans were made to small firms under the old programs and the resulting firms are providing employment throughout the United States, including Alaska. The 503 CDC program now replaces the old loan programs (501 and 502 programs), but with much of the same intent.

The primary difference between the 503 CDC program and its predecessors is that the SBA no longer directly loans money for the acquisition of fixed assets. Under the 502 program, the SBA loaned money directly to a local development company; then the local development company provided a minimum of 20% of the project's cost and incorporated the SBA's monies into a total loan package to the small business concern. The small business concern and/or its principals were not supposed to provide any of the required funds under the old 501 and 502 loan programs. The 503 Certified Development Corporation loan program, however, provides for joint financing by private lending institutions and the CDC funds, together with CDC debenture funds guaranteed 100% by the SBA. The small business concern also may not participate in the project cost.

PURPOSE OF A CERTIFIED DEVELOPMENT COMPANY

It is often difficult for small businesses to obtain the requisite financing for plant construction, conversion or expansion, including the acquisition of site, building, machinery and equipment. The 503 CDC loan program is directed towards financing acquisition of plant assets (not working capital) in order to provide economic development in target areas. The CDC program is needed because private commercial lenders often desire projects in the million-dollar range, but ordinarily restrict such loans to a short or medium term (one to ten years). Under the CDC programs, loans may be for longer terms such as 25 years. The CDC program is also needed because the SBA direct lending program is limited to $150,000 and the SBA cannot guarantee more than $500,000 of a bank loan.

The new 503 program merges the community, private lender and SBA. For a typical package the participation is normally 50% conventional financing with first mortgage, 40% SBA guaranteed debenture with second mortgage and 10% injection by the CDC or small business concern. The maximum SBA guarantee (50% or $500,000, whichever is less) may be obtained for the acquisition of project costs up to $1 million per project. The SBA intends for these larger economic development projects to maintain and create employment opportunity. Alaska, for example, has a single 503 CDC called "Railbuilt Development Corporation," organized in 1983. A regional economic development company was organized because the population increase in Alaska (from 400,000 in 1980 to 500,000 in 1983) has resulted in a need for new economic opportunity along the railroad route (from Anchorage to Fairbanks).

ORGANIZING A CERTIFIED DEVELOPMENT COMPANY

A certified development company must be organized as a corporation with a minimum of 25 members or stockholders within a defined area of operation. These 25 people must represent government, private lending institutions, community organizations, and business firms from the defined area of operation. The CDC must set up an office and keep it open to the public during normal business hours; a professional staff must be employed to package, process, close and service the CDC's loans. The CDC must also be able to furnish accounting and legal services to the small business concerns.

Once approved and operational, the CDC will be authorized to sell debentures for the benefit of an eligible small business concern with SBA's 100% guarantee. The CDC must then inject into the project an amount equal to at least 10% of the cost of its completion. This 10% injection may be from a variety of sources, including the small business concern being financed.

SEEKING 503 ASSISTANCE

A small business concern which meets the fixed assets requirements as defined above is encouraged to contact a

Donald E. Reid, Jr. is affiliated with the U.S. Small Business Administration in Anchorage, Alaska. Harry Wichmann, Jr. teaches in the School of Business and Public Affairs, University of Alaska, Anchorage.

CDC for the purpose of preparing and funding a loan package to complete construction or expansion of its capital projects. The CDC staff will first determine whether the small business concern is eligible for SBA financing.

Eligibility Standards

The eligibility standards are basically the same as those for other SBA programs, but are relaxed some to create economic development with the attendant increased job market. Two eligibility standards are unique under the CDC program: (1) the business's net worth may not exceed $6 million, and its net profit after taxes must have averaged less than $2 million during the previous two years; (2) a CDC is prohibited from owning any equity interest in a small business receiving Section 503 assistance.

The other SBA size and type of business eligibility standards for "regular" loan programs apply in addition to the above two criteria. These CDC standards include small- to medium-sized businesses organized for a profit.

Financing Techniques

Once a small business concern is deemed eligible, a choice is made between the conduit and leasing approaches for providing financial assistance.

If the small business owns or is purchasing the fixed assets, the CDC acts as a conduit through which the various funding flows to the small business firm. The CDC staff arranges for a private commercial lender to provide the difference between its direct infusion and the funds generated by the sale of debentures needed to fulfill the project costs. The maximum amount that may be used for an SBA 100% guaranteed debenture is the lesser of $500,000 or 50% of the total project cost.

Under the lease approach the CDC may own the property and lease it to the eligible small business concern. The lease may or may not contain a lease-purchase agreement or an option to purchase. The CDC would use the same funding as described above to purchase, construct or renovate property for the small business concern with a lease for at least the term of the loan.

Illustrations of Financing

Three financing illustrations are used to develop a better understanding of how a CDC finances either small business long-term loans (up to 25 years) or leases for capital assets. Illustration 1 is for a $750,000 project; Illustration 2 is for a $1,000,000 project; Illustration 3 is for a $5,000,000 project. Remember, the four major sources of financing may include the bank, SBA-guaranteed debenture, CDC, and small business. The small business may put up money to finance the fixed assets, but is not required to contribute financing as long as the CDC and small business share is at least 10%.

QUALIFIED EXPENDITURE OF CDC FINANCING

Two types of capital project costs may be financed by CDCs. "Hard costs" include acquisition of land and buildings; construction, expansion, renovation, and modernization of plant assets; and acquisition of machinery and equipment. Reasonable contingencies are also included in hard costs. "Soft costs" include interim interest costs on financing and professional fees for services such as appraisals, surveying, accounting, engineering, and architectural services.

ILLUSTRATION 1

EXAMPLE OF A $750,000 FINANCIAL PACKAGE[a]

Percentage Financed	Amount Financed	Source of Financing	Security
50%	$375,000	Bank	First mortgage
40	300,000	SBA-guaranteed debenture	Second mortgage
10	75,000	CDC	Third mortgage
Total	$750,000		

[a]Information is assumed under SBA guidelines. No limits exist on the amount the bank and CDC may finance. The 100% SBA-guaranteed debenture is limited to the lesser of 50% or $500,000 for each small business financed.

ILLUSTRATION 2

EXAMPLE OF A $1,000,000 FINANCIAL PACKAGE[a]

Percentage Financed	Amount Financed	Source of Financing	Security
40%	$400,000	Bank	First mortgage
50	500,000	SBA-guaranteed debenture	Second mortgage
7	70,000	CDC	Third mortgage
3	30,000	Small business	Last rights to property upon liquidation
Total	$1,000,000		

[a]Information is assumed under SBA guidelines. Notice that the SBA has financed to its maximum limits in the above example. Also, the small business has contributed financing.

ILLUSTRATION 3

EXAMPLE OF A $5,000,000 FINANCIAL PACKAGE[a]

Percentage Financed	Amount Financed	Source of Financing	Security
60%	$3,000,000	Bank	First mortgage
10	500,000	SBA-guaranteed debenture	Second mortgage
30	1,500,000	CDC	Third mortgage
Total	$5,000,000		

[a]Information is assumed under SBA guidelines. Notice that the SBA is limited to $500,000 for each small business financed.

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ADVANTAGES OF 503 FINANCING

The three major advantages to a bank, a community and to a small business concern in obtaining 503 financing are the following:

Bank

Security–first mortgage position
Account activity
Customer service

City

Stimulate tax base
Increase employment opportunities
Stimulate economic growth

Company

Longer term loan
Lower rate of interest
Lower down payment

SBA INVOLVEMENT

The small business concern must complete an application which includes the same information required for the customary SBA loan:

1. A description and history of the business.
2. Statements detailing exact uses and anticipated benefits from the financing.
3. SBA Form 912 (personal history) on all officers, directors, and owners (only owners with 20% or more interest).
4. A balance sheet and income statement for the current year and previous three years.
5. Pro forma balance sheet and income statement for two years.
6. A monthly cash flow forecast for the first 12 months, or 3 months beyond the break-even point.
7. SBA Form 413 (personal financial statements) for each officer and owner (20% or more interest).
8. Resumes of principals.
9. Names of affiliates and/or subsidiary firms.
10. A list of existing loans by the small business, along with details on starting date, total amount, interest rate, monthly payments, maturity, and security.
11. Franchised businesses should include a copy of the franchise agreement.
12. If the small business is organized as a corporation, a resolution is needed from the board of directors authorizing the small business concern to borrow.

All the above forms, exhibits, and lists must be signed and dated. This information is combined with an application from the CDC containing the following: (1) a statement concerning the purpose of the loan and its potential impact on the community; (2) a letter from the participating bank outlining its terms and conditions and the reason it will not finance the entire project; (3) a list of collateral to be offered as security with an outside appraisal; and (4) the source of the development company injection into the project. The SBA also requires that the contract between the CDC and the small business concern be presented to the SBA in order to determine the acceptability of the terms including the costs charged by the CDC.

Using the above information, the SBA may guarantee 100% of a debenture, not to exceed 25 years, $500,000 or 50% of the capital project's total cost. The rate of interest on the debenture shall be let by the Secretary of the Treasury and shall be determined from month to month (at a fixed rate on each debenture). In recent months it has been approximately 12%. The SBA then acts as an agent for the CDC and sells the debenture to the Federal Financing Bank, an instrumentality of the Federal Government.

CONCLUSION

The 503 CDC loan program has been designed by Congress to integrate the federal and private sectors for the purpose of stimulating economic growth. The Small Business Administration provides the tools and cohesive strength to fulfill the long-term credit gap for small and medium businesses through the CDC loan program. The private sector provides the connection with small businesses and expertise to aid it in the development of new capital projects, as well as the follow-through after the funds have been injected into the capital project. The Small Business Administration is seeking the creation of one job or the retention of a job per $15,000 of 503 debenture amount. The U.S. Government hopes to stimulate small business development by encouraging public and private sectors to work together through CDCs to stimulate defined economic target areas, thereby providing increased job opportunities, increased national income and tax revenues, and some groundwork for future economic growth.

Colorado currently has six certified development companies. These are listed below with their target area of operation.

CERTIFIED DEVELOPMENT COMPANIES IN COLORADO

Company Name	Telephone	Target Area
Original Aurora and Colorado Development Company	344-5257	Statewide
Old Colorado City Development Company	578-6962	El Paso County
Western Slope Economic Development Company	242-3647	21 counties in Western Colo.
Manitou Springs Development Company	685-9456	City of Manitou Springs
SCEDD Development Company	545-8680	19 counties in Southern Colo.
Southern Colorado Local Development Company	544-7133	Pueblo County

REFERENCES

U.S. Small Business Administration Financial Assistance Division, *Certified Development Company Program: Program Guide*, U.S. Government Printing Office, September 1982.

U.S. Small Business Administration Financial Assistance Division, *Loans to Local Development Companies*, U.S. Government Printing Office, May 1977.

COLORADO BUSINESS INDICATORS
(Figures in Thousands Unless Otherwise Indicated)

	January 1984	December 1983	January 1983	Percent Change January 1984 from December 1983	Percent Change January 1984 from January 1983
Total Civilian Labor Force (by place of residence)[a]	1,657.3	1,673.8	1,598.8	- 1.0	3.7
Unemployment	100.8	96.2	133.9	4.8	-24.7
Unemployment Rate (percent)	6.1	5.7	8.4	—	—
Employment	1,556.5	1,577.6	1,464.9	- 1.3	6.3
Nonagricultural Wage and Salary	1,537.3	1,552.1	1,445.5	- 1.0	6.4
Agricultural	19.2	25.5	19.4	-24.7	- 1.0
Total Nonagricultural Wage and Salary Employment (by place of work)[a]	1,329.7	1,351.8	1,292.8	- 1.6	2.9
Mining	37.3	37.1	37.5	0.5	- 0.5
Metallic Minerals	6.0	5.9	6.2	1.7	- 3.2
Bituminous Coal, Lignite, and Nonmetallic	4.8	4.7	4.5	2.1	6.7
Oil and Gas Extraction	26.4	26.6	26.8	- 0.8	- 1.5
Contract Construction	78.0	82.5	75.7	- 5.5	3.0
Manufacturing	183.6	183.8	176.2	- 0.1	4.2
Lumber, Wood Products, and Furniture	6.1	6.3	5.8	- 3.2	5.2
Stone, Clay, Glass, and Concrete Products	9.4	9.4	8.8	0.0	6.8
Primary and Fabricated Metals	14.3	14.1	14.2	1.4	0.7
Machinery, Except Electrical	28.5	28.4	24.9	0.4	14.5
Electric and Electronic Equipment	19.6	19.1	18.3	2.6	7.1
Transportation Equipment	13.7	13.6	13.8	0.7	- 0.7
Other Durable Goods	27.5	28.0	27.9	- 1.8	1.4
Food and Kindred Products	24.0	24.4	23.4	- 1.6	2.6
Textiles and Apparel	3.0	3.1	2.9	- 3.2	3.4
Paper and Allied Products	2.1	2.1	2.0	0.0	5.0
Printing and Publishing	19.2	19.4	18.6	- 1.0	3.2
Chemicals and Allied Products	8.0	7.9	7.6	1.3	5.3
Other Nondurable Goods	8.1	8.1	7.9	0.0	2.5
Finance, Insurance, and Real Estate	86.9	86.8	84.3	0.1	3.1
Banking	22.2	22.3	22.2	- 0.4	0.0
Credit Agencies Other than Banks	14.9	14.8	13.6	0.7	9.6
Insurance Carriers, Agents, and Brokers	20.8	20.8	20.6	0.0	1.0
Real Estate and Combination Offices	21.6	21.5	21.6	0.5	0.0
Other Finance, Insurance, and Real Estate	7.4	7.4	6.4	0.0	15.6
Transportation and Public Utilities	84.6	85.4	83.9	- 0.9	0.8
Railroad Transportation	5.8	5.8	5.7	0.0	1.8
Trucking and Warehousing	16.7	17.7	16.5	- 5.6	1.2
Air Transportation	14.6	14.4	14.6	1.4	0.0
Other Transportation	6.6	6.6	6.6	0.0	0.0
Communications, Electric, Gas, and Sanitary Services	41.0	41.0	40.6	0.0	1.0
Trade	325.9	335.8	316.0	- 2.9	3.1
Wholesale Trade	78.1	79.2	76.3	- 1.4	2.4
Retail Trade	247.8	256.6	239.7	- 3.4	3.4
Services	294.0	293.6	281.5	0.1	4.4
Lodging and Combination Lodging/Eating Places	26.2	26.1	24.5	0.4	6.9
Personal Services	15.7	15.1	15.0	4.0	4.7
Business Services	58.3	58.3	53.5	0.0	9.0
Auto and Miscellaneous Repair Services	14.2	14.4	14.1	- 1.4	0.7
Amusements and Recreation	19.4	19.2	18.6	1.0	4.3
Health Services	75.2	75.2	73.6	0.0	2.2
Educational Services	10.9	10.8	10.8	0.9	0.9
Membership Organizations	21.0	20.9	20.3	0.5	3.4
Other Services	53.1	53.7	51.1	- 1.1	- 3.8
Government	239.5	246.7	237.7	- 2.9	0.8
Federal	51.9	52.4	50.9	- 1.0	2.0
State	53.8	58.9	53.5	- 8.7	0.6
Local	133.7	135.5	133.3	- 1.3	0.3

	January 1984	December 1983	January 1983	Percent Change January 1984 December 1983	Percent Change January 1984 January 1983
Average Weekly Hours					
Construction	36.5	37.2	37.5	- 1.9	- 2.7
Manufacturing	39.9	41.3	39.0	- 3.4	2.3
Durable Goods	40.5	42.0	39.7	- 3.6	2.0
Nondurable Goods	38.9	40.2	37.9	- 3.2	2.6
Average Weekly Earnings ($)					
Construction	480.70	491.04	514.50	- 2.1	- 6.6
Manufacturing	366.68	380.37	343.98	- 3.6	6.6
Durable Goods	381.91	399.00	353.73	- 4.3	8.0
Nondurable Goods	342.32	351.75	328.59	- 2.7	4.2
Initial Unemployment Claims (000)	17.5	22.8	29.1	-23.3	-39.9
Bankruptcies, All Types (number)	400	461	394	-13.2	1.5
Total State Revenue ($000)	402,106	488,298	379,120	-17.7	6.1
Total State Expenditures ($000)	349,065	444,251	347,606	-21.4	0.4
Crude Oil Production (thous bbls.)	n.r.	2,350r	2,501	—	—
Dry Gas Production (mil. cu. ft.)	n.r.	15,595r	15,551	—	—
Coal Production	1 376.5	1,350.3	1,389.8	1.9	- 1.0
New Oil and Gas Wells (number)	n.r.	239	109	—	—
Natural Gas Used (bil. cu. ft.)	27.0	30.1	23.1	-10.3	16.9
Electrical Power Sales (mil. kwh)					
Residential	752.1	646.8	653.4	16.3	15.1
Nonresidential	1,046.3	1,022.4	10,47.5	2.3	- 0.1
New Construction, 122 places					
Residential permits (number)	1,876	1,854	1,964	1.2	- 4.5
Residential value ($000)	128,122	126,955	105,112	0.9	21.9
Nonresidential permits (number)	211	280	285	-24.6	-26.0
Nonresidential value ($000)	40,916	66,684	58,636	-38.6	-30.2
Highway Contractor Payments ($000)	4,493	10,249	5,109	-56.2	-12.1
Savings and Loan Net New Savings ($000,000)	164.5	17.5	228.6r	840.0	-28.0
National Park Recreational Visits–10 Areas (000)	n.r.	54.7	125.8	—	—
Motor Vehicle Title Applications (000)	82.7	96.2	79.1	-14.0	4.6
Highway Vehicle Traffic Counts at Border Stations (daily average)	26,931	29,111	28,067	- 7.5	- 4.1
Air Passengers, Stapleton (000)[b]	1,965	1,962	2,082	0.2	- 5.6
Air Freight and Air Express, Stapleton (thous. lbs.)	19,188	25,752	23,560	-25.5	-18.6
Prices Received by Farmers ($)					
Beef Cattle (per cwt)	65.10	62.50	59.30	4.2	9.8
Lambs (per cwt)	60.60	60.00	55.30	1.0	9.6
Wheat (per bu.)	3.14	3.26	3.49	- 3.7	-10.0
Corn (per bu.)	3.06	3.12	2.59	- 1.9	18.2
Potatoes (per cwt)	6.65	4.75	3.75	40.0	77.3
Wool	.69	.67	.77	3.0	-10.4

NOTES An asterisk (*) indicates preliminary data subject to revision.
Revised data are marked (r).
n.r.–not reported.

[a]Employment figures have been updated to a March 1983 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a December 1981 benchmark. Thus, these data are not comparable to that published prior.

[b]Includes scheduled airlines, commuter airlines and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.
Bankruptcies from the Office of the Federal Referee in Bankruptcy.
State Revenue and Expenditures from the State Controller's Office.
Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.
Coal Production from Colorado State Coal Mine Inspection Department.
Natural Gas Used from Colorado Interstate Gas Company.
Electrical Power Sales from 17 individual companies.
New Construction from Bureau of the Census, U.S. Department of Commerce.
Highway Contractor Payments from the Colorado Highway Department.
Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.
Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.
Recreational Visits from National Park Service, Denver.
Highway Traffic counts from Colorado Highway Department.
Air Passengers, Freight, and Express from Stapleton International Airport Business Office.
Prices Received by Farmers from U.S. Department of Agriculture.

LOCAL BUSINESS CONDITIONS
(All Figures in Thousands)

	January 1984	December 1983	January 1983
ALAMOSA (1982 pop. 7,182)			
Electric Power (kwh)	3,655	3,520	3,796
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	51,106	52,417	50,611
ARVADA (1982 pop. 91,262)			
Electric Power (kwh)	33,445	30,636	29,749
Constr. ($)—Res.	3,131	2,537	1,045
—Nonres.	321	0	227
Deposits ($) (4 of 5 banks)	112,686	115,595	96,580
ASPEN (1982 pop. 4,081)			
Electric Power (kwh)	5,157	3,999	4,266
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (3 of 3 banks)	106,634	109,571	102,649
AURORA (1982 pop. 178,665)			
Electric Power (kwh)	112,141	98,547	91,828
Constr. ($)—Res.	18,298	17,173	12,954
—Nonres.	3,227	1,563	2,072
Deposits ($) (12 of 16 banks)	299,283	293,192	234,931
BOULDER (1982 pop. 80,651)			
Electric Power (kwh)	61,232	58,731	61,617
Constr. ($)—Res.	2,150	4,029	652
—Nonres.	2,200	1,760	1,342
Deposits ($) (10 of 10 banks)	607,811	609,816	501,019
BRIGHTON (1982 pop. 13,239)			
Electric Power (kwh)	5,690	5,553	5,164
Constr. ($)—Res.	574	0	79
—Nonres.	0	113	0
Deposits ($) (2 of 2 banks)	66,078	71,279	54,940
BROOMFIELD (1982 pop. 22,452)			
Electric Power (kwh)	11,901	10,928	13,064
Constr. ($)—Res.	151	865	326
—Nonres.	857	0	0
Deposits ($) (2 of 2 banks)	68,250	65,774	57,016
CANON CITY (1982 pop. 13,576)			
Electric Power (kwh)	28,384	24,156	n.r.
Constr. ($)—Res.	29	213	25
—Nonres.	0	5	0
Deposits ($) (3 of 3 banks)	112,767	112,370	102,027
COLORADO SPRINGS (1982 pop. 230,553)			
Electric Power (kwh)	205,367	182,196	179,986
Constr. ($)—Res.[a]	13,001	26,357	15,691
—Nonres.	11,604	9,343	21,395
Deposits ($) (18 of 21 banks)	1,093,277	1,128,727	951,733
COMMERCE CITY (1982 pop. 16,412)			
Electric Power (kwh)	25,515	29,272	44,308
Constr. ($)—Res.	611	261	392
—Nonres.	0	85	0
Deposits ($) (1 of 1 bank)	27,770	29,273	26,779
CORTEZ (1982 pop. 7,489)			
Electric Power (kwh)	4,665	4,443	4,571
Constr. ($)—Res.	130	1,223	64
—Nonres.	0	27	0
Deposits ($) (3 of 3 banks)	96,520	96,434	80,860
CRAIG (1982 pop. 10,000)			
Electric Power (kwh)	5,573	4,856	5,095
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	323
Deposits ($) (2 of 2 banks)	59,133	61,668	58,699

	January 1984	December 1983	January 1983
DENVER (1982 pop. 500,600)			
Electric Power (kwh)	382,639	365,203	357,036
Constr. ($)—Res.	4,576	8,802	3,637
—Nonres.	658	380	7,705
Deposits ($) (45 of 48 banks)	7,461,625	7,809,926	7,375,206
DURANGO (1982 pop. 12,276)			
Electric Power (kwh)	9,936	6,254	7,858
Constr. ($)—Res.	49	110	0
—Nonres.	15	25	0
Deposits ($) (4 of 4 banks)	142,353	144,581	121,670
ENGLEWOOD (1982 pop. 30,555)			
Electric Power (kwh)	23,848	22,660	21,528
Constr. ($)—Res.	100	121	0
—Nonres.	3,252	544	309
Deposits ($) (10 of 14 banks)	453,180	465,941	377,018
ESTES PARK (1982 pop. 2,934)			
Electric Power (kwh)	6,843	5,467	5,944
Constr. ($)—Res.	139	0	324
—Nonres.	41	0	0
Deposits ($) (2 of 2 banks)	39,951	41,051	36,818
FORT COLLINS (1982 pop. 68,307)			
Electric Power (kwh)	53,077	48,028	46,390
Constr. ($)—Res.	4,558	2,298	1,270
—Nonres.	5,540	1,723	288
Deposits ($) (9 of 9 banks)	433,056	466,461	399,252
FORT MORGAN (1982 pop. 8,913)			
Electric Power (kwh)	11,312	9,525	10,446
Constr. ($)—Res.	35	0	50
—Nonres.	0	0	0
Deposits ($) (3 of 3 banks)	102,535	104,754	91,791
GLENWOOD SPRINGS (1982 pop. 5,000)			
Electric Power (kwh)	6,753	5,698	6,196
Constr. ($)—Res.	0	89	73
—Nonres.	0	11	3,008
Deposits ($) (4 of 4 banks)	130,236	130,289	125,453
GOLDEN (1982 pop. 13,109)			
Electric Power (kwh)	6,930	6,607	6,416
Constr. ($)—Res.	0	365	0
—Nonres.	505	0	0
Deposits ($) (3 of 3 banks)	163,967	170,743	144,984
GRAND JUNCTION (1982 pop. 32,082)			
Electric Power (kwh)	21,115	20,425	19,397
Constr. ($)—Res.	53	160	868
—Nonres.	801	7	6,214
Deposits ($) (6 of 6 banks)	340,392	350,554	356,548
GREELEY (1982 pop. 54,063)			
Electric Power (kwh)	30,735	28,176	26,566
Constr. ($)—Res.	552	1,231	890
—Nonres.	318	5,552	64
Deposits ($) (9 of 9 banks)	491,214	503,970	450,786
GUNNISON (1982 pop. 6,031)			
Electric Power (kwh)	5,885	4,898	4,870
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	50,737	52,518	45,216
LA JUNTA (1982 pop. 8,338)			
Electric Power (kwh)	5,212	5,174	4,850
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	55,118	62,230	48,567

Business Research Division
Graduate School
of Business Administration
Campus Box 420
University of Colorado
Boulder, Colorado 80309

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LOCAL BUSINESS CONDITIONS—Continued

	January 1984	December 1983	January 1983
LAFAYETTE (1982 pop. 10,115)			
Electric Power (kwh)	4,137	3,624	3,521
Constr. ($)—Res.	972	755	1,186
—Nonres.	0	0	93
Deposits ($) (1 of 1 bank)	17,553	17,603	15,769
LAKEWOOD (1982 pop. 117,436)			
Electric Power (kwh)	68,789	63,879	59,063
Constr. ($)—Res.	14,930	5,268	2,619
—Nonres.	0	1,057	2,576
Deposits ($) (12 of 12 banks)	598,857	586,994	546,363
LAMAR (1982 pop 7,793)			
Electric Power (kwh)	6,623	6,029	6,652
Constr. ($)—Res.	27	56	491
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	84,429	84,204	77,705
LITTLETON (1982 pop. 30,001)			
Electric Power (kwh)	19,697	18,805	15,844
Constr. ($)—Res.	603	517	2,015
—Nonres.	745	721	352
Deposits ($) (8 of 12 banks)	185,487	189,222	155,586
LONGMONT (1982 pop. 46,313)			
Electric Power (kwh)	31,532	26,222	24,681
Constr. ($)—Res.	3,517	1,684	7,416
—Nonres.	380	1,653	220
Deposits ($) (5 of 6 banks)	220,670	221,169	194,366
LOUISVILLE (1982 pop. 6,067)			
Electric Power (kwh)	10,604	10,594	2,460
Constr. ($)—Res.	2,583	3,905	1,372
—Nonres.	445	53	0
Deposits ($) (2 of 2 banks)	26,860	27,748	21,812
LOVELAND (1982 pop. 30,962)			
Electric Power (kwh)	24,752	24,959	22,016
Constr. ($)—Res.	859	1,526	1,095
—Nonres.	0	339	317
Deposits ($) (5 of 5 banks)	154,668	161,676	137,872
MONTROSE (1982 pop. 8,895)[b]			
Constr. ($)—Res.	80	88	110
—Nonres.	39	0	293
Deposits ($) (3 of 3 banks)	114,960	117,595	111,162
NORTHGLENN (1982 pop. 30,980)			
Electric Power (kwh)	12,053	12,649	11,811
Constr. ($)—Res.	125	0	546
—Nonres.	0	0	0
Deposits ($) (2 of 3 banks)	69,845	75,692	65,672
PUEBLO (1982 pop. 99,619)			
Electric Power (kwh)	61,079	53,057	54,013
Constr. ($)—Res.	66	176	102
—Nonres.	592	208	34
Deposits ($) (8 of 9 banks)	403,781	412,765	391,703
ROCKY FORD (1982 pop. 4,574)			
Electric Power (kwh)	6,198	5,943	5,407
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (1 of 2 banks)	14,864	14,879	13,716
SALIDA (1982 pop. 4,478)			
Electric Power (kwh)	2,133	2,013	1,866
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	38,737	39,138	39,787
STERLING (1982 pop. 11,470)			
Electric Power (kwh)	7,251	6,308	6,350
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (3 of 3 banks)	146,093	148,847	141,225
THORNTON (1982 pop. 44,130)			
Electric Power (kwh)	21,049	19,663	20,328
Constr. ($)—Res.	3,610	1,559	1,950
—Nonres.	0	1,680	0
Deposits ($) (1 of 1 bank)	28,343	29,579	23,323
TRINIDAD (1982 pop. 9,900)			
Electric Power (kwh)	3,396	3,093	3,329
Constr. ($)—Res.	0	329	489
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	59,502	59,587	53,164
WESTMINSTER (1982 pop. 54,995)			
Electric Power (kwh)	26,694	25,013	25,370
Constr. ($)—Res.	6,998	6,266	8,193
—Nonres.	3,587	0	0
Deposits ($) (3 of 3 banks)	100,059	103,956	91,996
WHEAT RIDGE (1982 pop. 31,743)			
Electric Power (kwh)	25,565	24,906	22,362
Constr. ($)—Res.	248	516	120
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	98,283	98,124	84,033

[a] Regional figures.
[b] Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.
Construction figures are valuation of new residential and nonresidential construction only.
Deposit figures are total deposits in commercial banks as of last day of month.
n.r.—not reported
*—preliminary data
r—revised data